

# Douglas Handshoe

<p>1 IN THE CIRCUIT COURT OF HANCOCK COUNTY, MISSISSIPPI</p> <p>2</p> <p>3</p> <p>4 TROUT POINT LODGE, LTD.,</p> <p>5 VAUGHN PERRET, and</p> <p>6 CHARLES LEARY</p> <p>7 VS. PLAINTIFFS</p> <p>8 CAUSE NO. 15-0458</p> <p>9 DOUGLAS K. HANDSHOE DEFENDANT</p> <p>10</p> <p>11 JUDGMENT DEBTOR EXAMINATION</p> <p>12 OF</p> <p>13 DOUGLAS K. HANDSHOE</p> <p>14 MONDAY, AUGUST 14, 2017</p> <p>15 1:28 P.M. TO 3:32 P.M.</p> <p>16</p> <p>17 Taken at the Stone County Courthouse</p> <p>18 323 Cavers Avenue</p> <p>19 Wiggins, Mississippi</p> <p>20</p> <p>21</p> <p>22 REPORTED BY: ELENA C. JAMES, CSR#1682</p> <p>23 COURT REPORTER</p> <p>24</p> <p>25</p>	<p>1 APPEARANCES:</p> <p>2 Representing Plaintiffs:</p> <p>3 GARY D. THRASH, ESQ.</p> <p>4 SINGLETARY &amp; THRASH-JACKSON, P.A.</p> <p>5 Post Office Box 587</p> <p>6 Jackson, Mississippi 39205</p> <p>7 601.353.1070</p> <p>8</p> <p>9 Representing Defendant:</p> <p>10 G. GERALD CRUTHIRD, ESQ.</p> <p>11 121 Fourth Street</p> <p>12 Post Office Box 1056</p> <p>13 Picayune, Mississippi 39466</p> <p>14 601.798.0220</p> <p>15 picayunebarrister@cruthirdlaw.com</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>
<p>1 INDEX</p> <p>2 DOUGLAS K. HANDSHOE</p> <p>3 Page</p> <p>4</p> <p>5</p> <p>6 Caption 1</p> <p>7 Appearances 3</p> <p>8 Agreement of Counsel 4</p> <p>9 Examination</p> <p>10 Mr. Gary Thrash 5</p> <p>11 Errata Sheet 62</p> <p>12 Reporter's Certificate 63</p> <p>13 * * * * *</p> <p>14 EXHIBITS:</p> <p>15 1 - Notice of Deposition 5</p> <p>16 2 - Copy of Mr. Handshoe's Driver's License</p> <p>17 3 - Assignment of Rights and Claims</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p>1 STIPULATIONS</p> <p>2 It is hereby stipulated and agreed by and</p> <p>3 between the parties hereto, through their respective</p> <p>4 attorneys of record, that this Judgment Debtor</p> <p>5 Examination may be taken at the time and place herein</p> <p>6 before set forth, by Elena C. James, Court Reporter</p> <p>7 and Notary Public, pursuant to the Mississippi Rules</p> <p>8 of Civil Procedure;</p> <p>9 That the formality of READING AND SIGNING is</p> <p>10 specifically RESERVED;</p> <p>11 That all objections, except as to the form of</p> <p>12 the questions and the responsiveness of the answers,</p> <p>13 are reserved until such time as this deposition, or</p> <p>14 any part thereof, may be used or is sought to be used</p> <p>15 in evidence.</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>

Patsy Ainsworth Reporting  
601.582.2582

EXHIBIT A

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<p>1 DOUGLAS K. HANDSHOE, 2 CALLED AS A WITNESS, HAVING BEEN FIRST DULY SWORN, 3 DEPOSED AS FOLLOWS: 4 (EXHIBIT 1 PRE-MARKED) 5 EXAMINATION 6 BY MR. THRASH: 7 Q. Mr. Handshoe, do you have your driver's 8 license with you? 9 A. I do. 10 Q. May I see it? I'm going to want to make a 11 copy of it, so I'm going to let her keep it. 12 MR. CRUTHIRD: That's fine. 13 Q. And we'll get it back before you leave here 14 today. 15 A. All right. 16 (EXHIBIT 2 ENTERED) 17 Q. Mr. Handshoe, where are you employed? 18 A. I am employed at Douglas K. Handshoe, CPA, 19 PLLC and Slabbed New Media, LLC. 20 Q. Are those the only two places you are 21 employed? 22 A. Yes. 23 Q. Involved in any other businesses that you 24 have ownership interest in that are -- 25 A. No. Just those two. The second business is</p>	<p>5</p>	<p>7</p> <p>1 Q. And how does it generate money? 2 A. Mainly through reader donations, sometimes 3 advertising, especially in the political seasons get 4 some advertising revenue from some of the candidates. 5 Q. What assets does Slabbed Media own? Do you 6 have their tax return here with you? 7 A. The website. I brought my personal tax 8 returns which would have a Schedule C for Slabbed New 9 Media since it's a disregarded entity. For IRS 10 purposes it's considered a disregarded entity. Single 11 owner LLCs just file a Schedule C like you were 12 self-employed. 13 Q. It's taxed just like a self-employed like you 14 are a sole owner of the business? 15 A. That's right. 16 Q. And whatever profits or losses fall through 17 to your tax return? 18 A. That's right. 19 Q. May I see your tax returns? 20 A. Yes. 21 Q. I believe I asked for three years. 22 A. You asked for '15, '14 and '16. '16 is on 23 extension. Here is '14, '15 as filed and '15 amended. 24 Q. Are these my copies? 25 A. Yes, they are.</p>	<p>7</p>
<p>1 PLLC, not LLC. 2 Q. What is your ownership interest in Slabbed 3 Media? 4 A. 100 percent. 5 Q. And is it in good standing with the Secretary 6 of State? 7 A. Yes. 8 Q. What kind of salary do you draw from that 9 company? 10 A. I don't draw a regular salary. I own the 11 company. 12 Q. How do you get compensated out of Slabbed 13 Media? 14 A. Periodic distributions if there is money 15 around to do that. 16 Q. With whom does Slabbed Media bank? 17 A. Hancock. 18 Q. Does it bank with any other companies? 19 A. No. 20 Q. What does Slabbed Media do? 21 A. Owns an Internet website and has intangible 22 property in the form of registered copyrights. 23 Q. Explain to me how it works. Do you have a 24 media outlet? 25 A. Yes. I have a web host.</p>	<p>6</p>	<p>8</p> <p>1 Q. On your tax return you show wages, salaries. 2 A. That would be my wife. 3 Q. That's your wife's? 4 A. Yes. 5 Q. On your business income it shows a \$60,000 6 profit in '15. 7 A. Yes. That would be right. There was a big 8 loss in Slabbed New Media that year and a pretty good 9 sized income in the CPA practice. 10 Q. You show a capital gain in '15 of a loss of 11 \$1500. 12 A. 15 a piece, yes. 3000. That's called a 13 capital loss carryover. 14 Q. What constitutes that loss? 15 A. Some real estate that was sold and some 16 stocks that were sold back after the financial crisis 17 in 2010, 2009, something like that. 18 Q. That was shown on Schedule D? 19 A. Yes. 20 Q. Have you made any tax deposits during the 21 year '16? 22 A. Are you talking about estimated tax payments? 23 Q. Yes. 24 A. Yes. There was estimated tax payments made 25 for '16.</p>	<p>8</p>

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<p style="text-align: right;">9</p> <p>1 Q. Do you have the records of those?</p> <p>2 A. Not with me. There would have been quarterly</p> <p>3 estimates of I think maybe 3000 federal, maybe 500</p> <p>4 state and we sent the money in with the extension.</p> <p>5 Q. What does your wife do for a salary?</p> <p>6 A. She is the office manager for a non-profit</p> <p>7 agency down on the coast.</p> <p>8 Q. What non --</p> <p>9 A. And she also draws her full Mississippi State</p> <p>10 Retirement.</p> <p>11 Q. What is the non-profit on the coast?</p> <p>12 MR. CRUTHIRD: That's fine.</p> <p>13 A. If it ends on the Internet people are going</p> <p>14 to get sued.</p> <p>15 Q. I'm not going to be on the Internet.</p> <p>16 MR. CRUTHIRD: Let's understand that,</p> <p>17 Gary, because it's not a personal thing, but</p> <p>18 your clients have engaged in what my client</p> <p>19 believes or asserts is defamatory type</p> <p>20 comments on the Internet. So anything</p> <p>21 revealed in this deposition should be just</p> <p>22 for purposes of collecting that judgment and</p> <p>23 if it shows up out here with ha-ha or</p> <p>24 whatever their purposes are, he is going to</p> <p>25 file suit.</p>	<p style="text-align: right;">11</p> <p>1 A. Yes.</p> <p>2 Q. Did you complete that Chapter 11 Bankruptcy?</p> <p>3 A. No. It was dismissed.</p> <p>4 Q. Why was it dismissed?</p> <p>5 A. The nature of the major assets and</p> <p>6 liabilities dealt with the LLC's indemnity of me</p> <p>7 personally for my official acts. Your clients have a</p> <p>8 habit of suing me personally over content on that</p> <p>9 Slabbed New Media website. They just go ahead and</p> <p>10 disregard it. So we tried to take Chapter 11 as a way</p> <p>11 to reorganize the business affairs and unfortunately</p> <p>12 because of the pervasiveness of the related party got,</p> <p>13 the judge didn't feel like she could grant the</p> <p>14 discharge.</p> <p>15 Q. What did you list as assets of Slabbed New</p> <p>16 Media in that bankruptcy?</p> <p>17 A. A judgment receivable for \$48,000 in attorney</p> <p>18 fees from the federal court. A payable related to</p> <p>19 that for the attorney fees for \$48,000. The value of</p> <p>20 the website, which was about \$4500. And we had a</p> <p>21 little bit of cash.</p> <p>22 Q. You are speaking of a judgment that was given</p> <p>23 in federal court; is that correct?</p> <p>24 A. Correct.</p> <p>25 Q. Who owns that judgment now?</p>
<p style="text-align: right;">10</p> <p>1 Q. Okay. I don't blame him. When he tells me</p> <p>2 who the non-profit is, don't put it in. Is that good?</p> <p>3 MR. CRUTHIRD: That's fair enough.</p> <p>4 Because his wife really is not the judgment</p> <p>5 debtor anyway.</p> <p>6 A. They threatened her on the Internet.</p> <p>7 (Employer deleted from the record.)</p> <p>8 MR. CRUTHIRD: Do you want to tell him</p> <p>9 what that is?</p> <p>10 A. They provide -- she retired from the State</p> <p>11 Department of Health. She worked in a program that</p> <p>12 served developmentally delayed children up to age 5.</p> <p>13 And the program where she is working now is the agency</p> <p>14 that actually provides the physical therapists, the</p> <p>15 teachers, everything that that age group would need to</p> <p>16 help get them ready to go to kindergarten.</p> <p>17 Q. That really doesn't identify anything, does</p> <p>18 it?</p> <p>19 A. No.</p> <p>20 Q. You show in '15 legal and professional</p> <p>21 services \$16,888. What were those legal services</p> <p>22 rendered for?</p> <p>23 A. A Chapter 11 Bankruptcy filing for Slabbed</p> <p>24 New Media, LLC.</p> <p>25 Q. That was Craig Geno?</p>	<p style="text-align: right;">12</p> <p>1 A. That judgment has been filed in Slabbed New</p> <p>2 Media, LLC.</p> <p>3 Q. Give me the history of who all has owned that</p> <p>4 judgment.</p> <p>5 A. Well, on March 5, 2014 I signed the rights</p> <p>6 and claims on that judgment to Jack Etherton Truitt</p> <p>7 who is a lawyer on that case who I owed \$48,000 to.</p> <p>8 Q. He was from Louisiana?</p> <p>9 A. Yes.</p> <p>10 Q. Did he enroll that judgment in Louisiana?</p> <p>11 A. Oh, no. They don't have anything in</p> <p>12 Louisiana. He tried to go up to Nova Scotia to</p> <p>13 collect it. And then on October 8, 2014 we cancelled</p> <p>14 that assignment and we sought some enforcement here in</p> <p>15 Mississippi with the federal court.</p> <p>16 Q. You cancelled that assignment. What do you</p> <p>17 mean by cancelled it?</p> <p>18 A. I talked to Bobby on the phone and I wrote</p> <p>19 him an email that said, "Per our discussions regarding</p> <p>20 the assignment of attorney fees to effect the</p> <p>21 collection of the outstanding Trout Point judgment,</p> <p>22 please be advised I agree to rescind the prior</p> <p>23 assignment in order that you can pursue collection</p> <p>24 efforts on my behalf here in Mississippi." This is on</p> <p>25 Pacer.</p>

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<p style="text-align: right;">13</p> <p>1 Q. So what consideration did he receive for that</p> <p>2 transfer of the judgment from him back to you?</p> <p>3 A. Consideration?</p> <p>4 Q. Yes.</p> <p>5 A. The ability to collect the judgment here in</p> <p>6 Mississippi for one thing. My promise to cooperate</p> <p>7 with him in collecting that judgment for another</p> <p>8 thing.</p> <p>9 Q. Did he own the judgment?</p> <p>10 A. No. It was an assignment.</p> <p>11 Q. What did the assignment say?</p> <p>12 A. The original assignment?</p> <p>13 Q. Yes.</p> <p>14 MR. CRUTHIRD: Have you got a copy</p> <p>15 there?</p> <p>16 A. I do. Straight off the Pacer. We've already</p> <p>17 been down this road with Leary and Perret trying to</p> <p>18 get discipline on my attorney that did not work. "I</p> <p>19 Douglas K. Handshoe, do hereby assign, convey and</p> <p>20 transfer to Jack E. Truitt and The Truitt Law Firm,</p> <p>21 LLC any and all rights, claims, or title in any claim,</p> <p>22 action or lawsuit I may have against Charles Leary,</p> <p>23 Vaughn Perret, and/or Trout Point Lodge, Limited for</p> <p>24 the collection of attorney's fees, costs, or any other</p> <p>25 element of damages or interest which was awarded to me</p>	<p style="text-align: right;">15</p> <p>1 Q. So that was an absolute conveyance to that</p> <p>2 gentleman?</p> <p>3 A. Yes. At that time, that's correct.</p> <p>4 Q. So as an absolute conveyance. Now let's move</p> <p>5 forward. You reclaimed it.</p> <p>6 A. No. He flipped it back to me.</p> <p>7 Q. What did he get in consideration for flipping</p> <p>8 it back to you?</p> <p>9 A. We were going to enforce it in the United</p> <p>10 States against their merchant vendor accounts.</p> <p>11 Q. Do you have a document showing the transfer</p> <p>12 of that judgment?</p> <p>13 A. Absolutely.</p> <p>14 Q. Mr. Handshoe, please let me finish my</p> <p>15 question, finish talking. I'll do the same for you.</p> <p>16 A. Okay.</p> <p>17 Q. What document do you have that shows he</p> <p>18 transferred that interest back to you?</p> <p>19 A. The email that we referenced. A court filing</p> <p>20 that included that email.</p> <p>21 Q. May I see the document you are talking about</p> <p>22 as far as the court filing?</p> <p>23 A. Sure. And we have a Bates number up here.</p> <p>24 Because I just made a copy of the exhibit. And</p> <p>25 Exhibit 1 to that was the original assignment. And</p>
<p style="text-align: right;">14</p> <p>1 in connection with the litigation which was formerly</p> <p>2 pending in the U.S. District Court. Jack E. Truitt</p> <p>3 and The Truitt Law Firm shall have the full right to</p> <p>4 institute any and all actions for collection of</p> <p>5 attorney's fees, costs, or other damages in the United</p> <p>6 States or Canada as if instituted by me. This</p> <p>7 assignment of rights and claims has been made by me in</p> <p>8 exchange for good and valuable consideration."</p> <p>9 Q. What was that consideration?</p> <p>10 A. I don't have to live in Canada and him</p> <p>11 agreeing to incur additional costs to pursue it.</p> <p>12 Q. So you transferred all of your interest to</p> <p>13 him --</p> <p>14 A. So that he could pursue collection up in</p> <p>15 Canada.</p> <p>16 Q. May I finish?</p> <p>17 A. Yes.</p> <p>18 Q. In exchange for him agreeing to pursue this</p> <p>19 matter in Canada?</p> <p>20 A. Correct.</p> <p>21 Q. That was the consideration?</p> <p>22 A. That's right.</p> <p>23 Q. Did you give him all your right, title and</p> <p>24 interest?</p> <p>25 A. Any and all rights, claims and title.</p>	<p style="text-align: right;">16</p> <p>1 then also attached is where I signed it Slabbed New</p> <p>2 Media in 2015.</p> <p>3 Q. Do you have any document from Mr. Truitt</p> <p>4 where he assigned that judgment back to you?</p> <p>5 A. The email which confirmed our conversation</p> <p>6 and the pleading that he submitted to the federal</p> <p>7 court. I don't have that with me.</p> <p>8 Q. What pleading are you talking about?</p> <p>9 A. If you want to talk to Judge Giraud you are</p> <p>10 welcome to.</p> <p>11 Q. What pleading are you talking about?</p> <p>12 A. Pardon me?</p> <p>13 Q. What pleading are you talking about?</p> <p>14 A. Your clients filed after they lost the case</p> <p>15 and they lost their appeal, then they filed a Motion</p> <p>16 for Discipline against Mr. Cruthird and my attorney</p> <p>17 Mr. Truitt. I can't really explain to you why that</p> <p>18 was, but we had to respond to that. And that was part</p> <p>19 of that response. They have a Bates number at the top</p> <p>20 of that. You are welcome to go dig into that case and</p> <p>21 get that whole series of documents. Not that</p> <p>22 assignment. That assignment has never been filed.</p> <p>23 But those two documents behind it, that was Exhibit 1</p> <p>24 and Exhibit 2 to his response.</p> <p>25 Q. It says page 1 of 1.</p>

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<p style="text-align: right;">17</p> <p>1 A. Look at the bottom and you will see the</p> <p>2 exhibit stickers.</p> <p>3 Q. I see the stickers. You said at the top it</p> <p>4 was Bates stamped.</p> <p>5 A. Right. It will tell you what document it is.</p> <p>6 MR. CRUTHIRD: Which should be</p> <p>7 obtainable on Pacer, yes, from the U.S.</p> <p>8 District Court.</p> <p>9 Q. This is both documents show being page 1 of</p> <p>10 1.</p> <p>11 A. Yes. If you look at the Bates stamp there</p> <p>12 will be probably a number dash 1. The Bates stamp is</p> <p>13 at the top, sir.</p> <p>14 Q. I see the case number and the document</p> <p>15 number.</p> <p>16 A. What's that document number? You have my</p> <p>17 paperwork there.</p> <p>18 Q. Yes. I see two document numbers consecutive.</p> <p>19 Are you saying these were attached to another</p> <p>20 document?</p> <p>21 A. Correct.</p> <p>22 Q. Do you know the docket number of that?</p> <p>23 A. Sure. Can I see that, please?</p> <p>24 Q. Yes.</p> <p>25 A. The docket number of that would be 65-0. You</p>	<p style="text-align: right;">19</p> <p>1 Bobby. Sued me five more times. Sued my lawyers.</p> <p>2 Q. You show a long-term capital loss of \$50,849</p> <p>3 on your tax return.</p> <p>4 A. Yes.</p> <p>5 Q. Tell me what makes that up.</p> <p>6 A. That was from maybe 2011, 2012 selling</p> <p>7 securities that all had lost a lot of value after the</p> <p>8 financial crash.</p> <p>9 Q. Do you own any securities now?</p> <p>10 A. No.</p> <p>11 Q. Did you get out of the market when you sold</p> <p>12 these stocks and you lost the \$50,000?</p> <p>13 A. Yes, sure did.</p> <p>14 Q. But you have had no stock transactions since</p> <p>15 2015?</p> <p>16 A. It was probably before that. That account</p> <p>17 was gone no later than 2013, but I'm thinking it was</p> <p>18 more like 2011, 2010.</p> <p>19 Q. Who was the account with?</p> <p>20 A. TD Ameritrade.</p> <p>21 Q. Do you have a local broker you dealt with?</p> <p>22 A. Oh, no. TD Ameritrade you do it yourself.</p> <p>23 Q. I'm kind of confused. Because on your tax</p> <p>24 return you show that \$50,849 to have been caused by</p> <p>25 the sale of a piece of property in Waveland.</p>
<p style="text-align: right;">18</p> <p>1 have 65-1 and 65-2 in front of you.</p> <p>2 Q. Are you saying Mr. Truitt filed a document in</p> <p>3 federal court that says he is conveying title to that</p> <p>4 judgment back to you?</p> <p>5 A. That's correct.</p> <p>6 Q. Okay.</p> <p>7 A. And an email with the exhibit to demonstrate</p> <p>8 it.</p> <p>9 Q. Are these my copies?</p> <p>10 A. Yes, they are.</p> <p>11 Q. We'll make these the next exhibit.</p> <p>12 (EXHIBIT 3 ENTERED)</p> <p>13 A. Your clients aren't going to be able to get</p> <p>14 out of that contempt real easy.</p> <p>15 MR. CRUTHIRD: Let me point out too in</p> <p>16 the judgment that I gave you the copy of for</p> <p>17 the \$48,000, that has the correct case</p> <p>18 number.</p> <p>19 A. It does. 12CV90.</p> <p>20 MR. CRUTHIRD: That's the case your</p> <p>21 clients appealed.</p> <p>22 A. Twice.</p> <p>23 MR. CRUTHIRD: To the 5th Circuit,</p> <p>24 right?</p> <p>25 A. Yes. Filed for discipline against you and</p>	<p style="text-align: right;">20</p> <p>1 A. There are two amounts on there. There is a</p> <p>2 carryover of a capital loss and then there is a sale</p> <p>3 of real estate. I mentioned both of them. That I</p> <p>4 sold securities and I sold a lot at a loss. So now</p> <p>5 the capital loss carryover is \$100,000.</p> <p>6 Q. So when you were telling me about your long-</p> <p>7 term capital loss in 2015 --</p> <p>8 A. The carry forward, that's right.</p> <p>9 Q. You were mistaken to say it was caused by</p> <p>10 stocks; is that correct?</p> <p>11 A. The carry forward was caused by the sale of</p> <p>12 stocks. Two amounts. And then I reported a</p> <p>13 transaction for the sale of land. Those two losses</p> <p>14 added together equals a total carryover.</p> <p>15 Q. I was talking about the loss you show for</p> <p>16 \$50,849.</p> <p>17 A. Okay. That is the sale of real estate.</p> <p>18 Q. In 2015.</p> <p>19 A. That's correct.</p> <p>20 Q. Who did you sell that property to?</p> <p>21 A. I don't even know who brought it, to be</p> <p>22 honest with you. We sold it through a realtor. It</p> <p>23 was nobody related.</p> <p>24 Q. Excuse me. I'm more confused now. You are</p> <p>25 positive it wasn't anybody you are related to, but you</p>



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<p style="text-align: right;">21</p> <p>1 don't know who you sold it to?</p> <p>2 A. I don't know. I can tell you it wasn't</p> <p>3 anybody related to me. I took a bull whipping on that</p> <p>4 deal.</p> <p>5 Q. What was at 135 Farrar Lane?</p> <p>6 A. Just a piece of land.</p> <p>7 Q. What did you pay for it?</p> <p>8 A. It's on there. \$65,000.</p> <p>9 MR. CRUTHIRD: What's the address?</p> <p>10 A. 135 Farrar Lane. F-a-r-r-a-r.</p> <p>11 Q. What caused the decrease in value in that</p> <p>12 property?</p> <p>13 A. The real estate subprime mortgage crash, the</p> <p>14 fact that it's 13 feet above sea level about half a</p> <p>15 block away from the Gulf. It doesn't hurt things. I</p> <p>16 mean it doesn't help things.</p> <p>17 Q. Who was the realtor you went through to make</p> <p>18 this sale?</p> <p>19 A. O'Dwyer Realty.</p> <p>20 Q. Were there any improvements on this property?</p> <p>21 A. No.</p> <p>22 Q. What caused you to sell it?</p> <p>23 A. We needed the money.</p> <p>24 Q. Did you pay 65,000 and change in cash when</p> <p>25 you purchased it?</p>	<p style="text-align: right;">23</p> <p>1 Q. Did the amended return contain the profit or</p> <p>2 loss from business for Douglas K. Handshoe, CPA?</p> <p>3 A. Nothing changed with that, so you don't</p> <p>4 attach schedules that don't change on the returns.</p> <p>5 You only attach the ones that change.</p> <p>6 Q. On the profit or loss from business for the</p> <p>7 accounting firm, what were the legal and professional</p> <p>8 expenses for it?</p> <p>9 A. Well, I maintained Gerald on a retainer just</p> <p>10 to have an attorney on retainer. I also have to</p> <p>11 engage other CPAs to come in and do what's called a</p> <p>12 peer review on my practice. I'm not sure what's in</p> <p>13 there specifically, but it's not unusual to have 2, 3,</p> <p>14 4, \$5000 legal fees show up on a Schedule C every</p> <p>15 year.</p> <p>16 Q. Were these lawsuits against the company?</p> <p>17 A. No.</p> <p>18 Q. On the first return did you report the loss</p> <p>19 from the sale of the property?</p> <p>20 A. I inadvertently omitted it. That is one of</p> <p>21 the reasons we amended was to get that loss</p> <p>22 established.</p> <p>23 Q. On your return I believe it's Form 4562 you</p> <p>24 list that you chose to expense certain properties</p> <p>25 rather than capitalize them and put them in for</p>
<p style="text-align: right;">22</p> <p>1 A. I sure did. I think I bought it three months</p> <p>2 before the subprime crash.</p> <p>3 Q. The crash we'll agree occurred in about 2008;</p> <p>4 is that correct?</p> <p>5 A. That's right.</p> <p>6 Q. Has this property been developed since you</p> <p>7 sold it?</p> <p>8 A. Not to my knowledge, but I haven't been down</p> <p>9 there in a while, so --</p> <p>10 Q. I'm looking at your --</p> <p>11 A. That's the as filed original 2015.</p> <p>12 Q. I understand that. What did you change with</p> <p>13 the amendment?</p> <p>14 A. The fact that I had forgotten to report or</p> <p>15 probably didn't want to think about it, that capital</p> <p>16 gain or actually in this case major capital loss, and</p> <p>17 the fact that on the original return I had included</p> <p>18 only a portion of Slabbed New Media's transactions</p> <p>19 that were just before the creation of the bankruptcy</p> <p>20 trust in 2015. The judge before I filed that return</p> <p>21 dismissed it in 2016, which makes it the bankruptcy</p> <p>22 trust became a nullity, so I had to include all the</p> <p>23 transactions that happened after the filing date in</p> <p>24 2015 on my return. So I had to amend that Schedule C</p> <p>25 to do that.</p>	<p style="text-align: right;">24</p> <p>1 depreciation.</p> <p>2 A. Yes, sir.</p> <p>3 Q. I believe you show that you spent about</p> <p>4 \$6327.</p> <p>5 A. That sounds about right.</p> <p>6 Q. What did you purchase?</p> <p>7 A. File servers.</p> <p>8 Q. What type of file servers?</p> <p>9 A. I believe it was a Dell 805, Dell 610.</p> <p>10 Q. 805 and 610?</p> <p>11 A. 805R, yes, and a 610R. Likely in '15 we</p> <p>12 bought what's called NAS or Network Attached Storage,</p> <p>13 which would be another very specialized file server.</p> <p>14 Q. Am I correct in my review of Part 1 that that</p> <p>15 does not report any kind of sales, but is merely a</p> <p>16 determination of how much you could expense?</p> <p>17 A. Yes. That was the R610 and that was the</p> <p>18 elected cost. Yes, we did write it off.</p> <p>19 Q. The top part just determines how much you</p> <p>20 could write off.</p> <p>21 A. That's correct.</p> <p>22 Q. Before we got to what you actually did write</p> <p>23 off.</p> <p>24 A. That's right.</p> <p>25 Q. You show on Schedule C line 16 an interest</p>

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<p>25</p> <p>1 expense. What were you paid interest on? What kind of</p> <p>2 debt and what bank?</p> <p>3 A. That was actually mortgage on 110 Hall</p> <p>4 Street.</p> <p>5 Q. Is 110 Hall Street your home?</p> <p>6 A. It is now, yes.</p> <p>7 Q. Is now.</p> <p>8 A. It has been off and on since 2001. From 2010</p> <p>9 through January to 2016 we were living in Bay St.</p> <p>10 Louis and the business completely occupied the</p> <p>11 dwelling.</p> <p>12 Q. At Hall Street?</p> <p>13 A. That's correct. And so the business paid all</p> <p>14 the costs associated with that particular location.</p> <p>15 Q. What is the address of the property in Bay</p> <p>16 St. Louis?</p> <p>17 A. We were renting down there and that was 214</p> <p>18 Corinth Drive. We lived there from I want to say the</p> <p>19 very end of 2012 until we moved and then we rented a</p> <p>20 place on Carroll Avenue before that.</p> <p>21 MR. CRUTHIRD: And that's in Bay St.</p> <p>22 Louis?</p> <p>23 A. That's right.</p> <p>24 Q. And when were you at the Carroll Avenue</p> <p>25 address?</p>	<p>27</p> <p>1 A. I own 70 percent of it. Ms. Sheila Cruthird</p> <p>2 who has been with me for over 20 years owns 30</p> <p>3 percent.</p> <p>4 Q. When did she acquire her 30 percent?</p> <p>5 A. December 2016 she bought in.</p> <p>6 Q. Had she worked for you prior to that?</p> <p>7 A. Oh, about 20, 22 years.</p> <p>8 Q. What consideration did she pay for that 30</p> <p>9 percent?</p> <p>10 A. \$5000 cash in recognition of or for past</p> <p>11 contributions to the firm.</p> <p>12 Q. In recognition of what?</p> <p>13 A. Her past contributions to the firm.</p> <p>14 Q. I thought you said past cash contributions.</p> <p>15 A. No. Well, she had done that a couple of</p> <p>16 times, extended short-term credit for cash flow</p> <p>17 purposes and we did that like I said in 2016 in</p> <p>18 December.</p> <p>19 Q. What was the cause of that happening at that</p> <p>20 time?</p> <p>21 A. There was no particular cause. Just that she</p> <p>22 had been with me for an awful long time and we talked</p> <p>23 about her taking an equity stake. We talked about her</p> <p>24 actually acting like an owner instead of an employee.</p> <p>25 So in December of '16 which is the very low point of</p>
<p>26</p> <p>1 A. From about 2010 to 2012.</p> <p>2 Q. And you were at the Corinth Drive address</p> <p>3 from 2012 --</p> <p>4 A. To January 2016.</p> <p>5 Q. And who did you rent from?</p> <p>6 A. It was actually Stephen Ambrose's son-in-law.</p> <p>7 We handled all that through O'Dwyer Realty.</p> <p>8 Q. So they would have the records on that?</p> <p>9 A. They would. The gentleman that owned it was</p> <p>10 actually from up in New York.</p> <p>11 Q. I'm looking at the 2014 return now. Was</p> <p>12 there any amendment filed to it?</p> <p>13 A. No.</p> <p>14 Q. So I'm looking at the final return; is that</p> <p>15 correct?</p> <p>16 A. That's correct.</p> <p>17 Q. Now, I believe you said the official name of</p> <p>18 your accounting business is Douglas K. Handshoe, CPA.</p> <p>19 A. PLLC. That's right.</p> <p>20 Q. PLLC. Okay. I'm going to ask you some</p> <p>21 questions about that particular business and just want</p> <p>22 us on the same page. I'm talking about your</p> <p>23 accounting firm.</p> <p>24 A. Right.</p> <p>25 Q. Who owns that firm?</p>	<p>28</p> <p>1 the business cycle for CPAs, she stepped up with \$5000</p> <p>2 to help make us through the month. She also advanced</p> <p>3 the money to help buy that Dell file server. But that</p> <p>4 was the year before that. And we paid her back for</p> <p>5 that.</p> <p>6 Q. So she loaned the business that money; is</p> <p>7 that correct?</p> <p>8 A. That's correct.</p> <p>9 Q. In 2014 were you paying her a salary?</p> <p>10 A. Yes.</p> <p>11 Q. How much was that salary?</p> <p>12 A. Oh, her base pay was like \$36,000 for a long</p> <p>13 time. She got a raise at some point in time in 2014</p> <p>14 or 2015 that kicked her up closer to 43, \$44,000.</p> <p>15 Q. I see in 2014 your legal expenses were</p> <p>16 \$11,760. Were there any type of lawsuits or other</p> <p>17 things that caused that?</p> <p>18 A. That was a peer review year there, so I had</p> <p>19 to pay an accounting firm out of the Delta to come</p> <p>20 down and essentially audit my practice from top to</p> <p>21 bottom. They probably got at least half of that</p> <p>22 number for the peer review fee. And then like I said,</p> <p>23 we normally run 2, 3, 4, \$5000 on legal expenses every</p> <p>24 year just out of consultations and that sort of thing.</p> <p>25 Q. Is Mrs. Cruthird related to your lawyer?</p>

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<p style="text-align: right;">29</p> <p>1 A. She is actually. She's Gerald's</p> <p>2 sister-in-law. Many, many years ago I met Gerald</p> <p>3 through her and her husband.</p> <p>4 Q. What is contracted services?</p> <p>5 A. That would be for per diem help. We had</p> <p>6 people coming in to clean the property since we were</p> <p>7 using that for an office. Some of that would have</p> <p>8 been probably groundskeeping there. Some of it would</p> <p>9 be for actual what we would call per diem accounting.</p> <p>10 Someone who would come in and do specific projects in</p> <p>11 exchange for a straight fee instead of a payroll</p> <p>12 check.</p> <p>13 Q. How much was the total of the long-term</p> <p>14 capital loss you took that's allowing you to take over</p> <p>15 \$50,000 a year in a carryover?</p> <p>16 A. I'm not sure what your question is. Can you</p> <p>17 let me see what you are looking at?</p> <p>18 Q. What I'm asking is two years in a row I've</p> <p>19 seen where you've taken a carryover of over \$50,000.</p> <p>20 A. That's right.</p> <p>21 Q. The two of them together would total \$110,000</p> <p>22 roughly.</p> <p>23 A. Yes. You can eat that up 3000 a year is what</p> <p>24 they let you deduct.</p> <p>25 Q. How much was the initial long-term capital</p>	<p style="text-align: right;">31</p> <p>1 Q. Who are they?</p> <p>2 A. Hancock, The First, and Bank of Wiggins.</p> <p>3 Q. Is that the third one?</p> <p>4 A. Yes.</p> <p>5 Q. Where is The First located?</p> <p>6 A. Their main branch is up in Hattiesburg, but</p> <p>7 they have a branch right here in town.</p> <p>8 Q. I just never heard of them.</p> <p>9 MR. CRUTHIRD: I think they started in</p> <p>10 Laurel. But he's probably right. Their</p> <p>11 primary branch is probably Hattiesburg. And</p> <p>12 there was a bank here that they bought that</p> <p>13 got liquidated called First National Bank of</p> <p>14 Picayune. No. First National Bank of</p> <p>15 Wiggins they bought. And I guess are they</p> <p>16 in that building here?</p> <p>17 A. They are. And they got a bunch of branches</p> <p>18 from Hancock Whitney when they had to divest</p> <p>19 themselves of their surplus branches after they</p> <p>20 merged. So they are a pretty good sized bank down</p> <p>21 here.</p> <p>22 Q. The First. Is it written out The First or is</p> <p>23 it with a number?</p> <p>24 A. No. The First.</p> <p>25 Q. Which bank do you deposit your revenue that</p>
<p style="text-align: right;">30</p> <p>1 loss that allowed this following?</p> <p>2 A. Lord. Probably 65, \$70,000.</p> <p>3 Q. Was that all in the stock market?</p> <p>4 A. That was all from the stocks. That's right.</p> <p>5 Q. I want to make sure I understand this</p> <p>6 correct. Do you own 100 percent of Slabbed New Media,</p> <p>7 LLC?</p> <p>8 A. That's correct.</p> <p>9 Q. Are there any debts against Slabbed New</p> <p>10 Media, LLC?</p> <p>11 A. Right now the major liability in Slabbed New</p> <p>12 Media, LLC is the judgment, the attorney's fees</p> <p>13 payable to Mr. Truitt.</p> <p>14 Q. And you are talking about Truitt's fees?</p> <p>15 A. That's right.</p> <p>16 Q. Not the judgment?</p> <p>17 A. Well, the judgment of the judgment receivable</p> <p>18 on the books there. So I've got a receivable for</p> <p>19 \$48,000 and I've got a payable for \$48,000.</p> <p>20 Q. I was asking you just about payables. But</p> <p>21 I'll take that answer.</p> <p>22 A. That was on the operating reports for the</p> <p>23 bankruptcy court. They are all out there on Pacer.</p> <p>24 Q. Now, who does the CPA firm bank with?</p> <p>25 A. We bank with three different banks.</p>	<p style="text-align: right;">32</p> <p>1 you derive from the practice into?</p> <p>2 A. It could go into all three, but primarily</p> <p>3 right now I think we use The First.</p> <p>4 Q. Now, I probably asked this, but what kind of</p> <p>5 salary do you draw from the accounting firm?</p> <p>6 A. We just take distributions. I don't have a</p> <p>7 salary at this point. I've taken a regular draw of</p> <p>8 like \$3000 a month as kind of like a base. Been doing</p> <p>9 that for many, many, many years.</p> <p>10 Q. Where have you been employed during the last</p> <p>11 10 years?</p> <p>12 A. I've worked for myself since 1993.</p> <p>13 Q. And when you say for yourself --</p> <p>14 A. CPA.</p> <p>15 Q. You are talking about Douglas K. Handshoe,</p> <p>16 CPA, PLLC?</p> <p>17 A. The PLLC didn't form until '14 or '15.</p> <p>18 Before that I did it just as a sole proprietor.</p> <p>19 Q. Between the period of 2010 and the present,</p> <p>20 excluding your investment in the stock market, have</p> <p>21 you invested in any other kinds of businesses,</p> <p>22 securities, et cetera?</p> <p>23 A. No.</p> <p>24 Q. Other than the bankruptcy and this</p> <p>25 proceeding, have you been involved in any other suits</p>



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<p style="text-align: right;">33</p> <p>1 or administrative proceedings, had any executions, 2 garnishments, et cetera?</p> <p>3 A. No execution. Your clients have sued me six 4 times in Canada and in Louisiana. Those would be the 5 only lawsuits I've ever been involved in.</p> <p>6 Q. Aren't you presently involved in two or three 7 lawsuits against them?</p> <p>8 A. Yes. I have sued them in federal court and I 9 have a dormant suit in state court.</p> <p>10 Q. Tell me about the basis of the dormant suit 11 in state court.</p> <p>12 A. That's racketeering against them and the 13 former disgraced president of Jefferson Parish, Aaron 14 Broussard.</p> <p>15 Q. Do you own personally that lawsuit?</p> <p>16 A. Yes.</p> <p>17 Q. Now, I believe you have a federal court 18 lawsuit pending against them?</p> <p>19 A. Yes. Leary and Perret. That's right.</p> <p>20 Q. What is the basis of that federal court 21 lawsuit?</p> <p>22 A. Violations of Section 512F of the Copyright 23 Code. One count Speech Act 2010 for declaratory 24 relief. And one or two declaratory relief counts 25 against them for copyright issues.</p>	<p style="text-align: right;">35</p> <p>1 Charles Leary, Vaughn Perret, Marilyn Smolders, 2 Progress Media. National Geographic was formerly a 3 defendant. They settled. The Toronto Star was 4 formerly a defendant. They were dismissed from the 5 case.</p> <p>6 Q. And who did you say came after Marilyn 7 Smolders?</p> <p>8 A. Progress Media.</p> <p>9 Q. Who owns Progress Media?</p> <p>10 A. Good question. They are up in Canada.</p> <p>11 Q. What did you receive from National 12 Geographic?</p> <p>13 A. It's subject to a confidentiality agreement.</p> <p>14 Q. So I've got to go to the court to get to it?</p> <p>15 A. Probably so. I agreed I couldn't divulge it, 16 nor could I disparage them.</p> <p>17 Q. If I am familiar with those type of 18 agreements, they exclude from the confidentiality 19 court orders to appear and give information. That's 20 what you got here.</p> <p>21 MR. CRUTHIRD: I haven't read the 22 agreement, so we'll have to get back with 23 you on that.</p> <p>24 MR. THRASH: But do you agree with my 25 statement about the general status of most</p>
<p style="text-align: right;">34</p> <p>1 Q. What is the status of that lawsuit at the 2 present time?</p> <p>3 A. We are waiting on procedural rulings from 4 Judge Overden.</p> <p>5 Q. When you say procedural rulings, what do you 6 mean?</p> <p>7 A. They filed for 12B Motion to Dismiss. 8 Slabbed New Media had filed a Motion to Intervene. 9 And I guess by -- she's going to try them all at once. 10 So that's where we are sitting. Everything has been 11 briefed. We're just waiting for the judge.</p> <p>12 Q. Which judge do you have?</p> <p>13 A. Overden.</p> <p>14 Q. When was that lawsuit filed?</p> <p>15 A. November 2015 I believe.</p> <p>16 Q. I believe you said out of that lawsuit you 17 have been awarded \$50,000 roughly?</p> <p>18 A. It's a different lawsuit.</p> <p>19 Q. Wrong lawsuit?</p> <p>20 A. Yes.</p> <p>21 Q. Okay.</p> <p>22 A. The \$48,000 relates to the suit that's been 23 assigned.</p> <p>24 Q. The second suit is styled what?</p> <p>25 A. Douglas Handshoe versus Trout Point Lodge,</p>	<p style="text-align: right;">36</p> <p>1 --</p> <p>2 MR. CRUTHIRD: No, sir. Not 3 necessarily. I'm going to have to look at 4 the -- and I've never seen it before. I've 5 not represented Mr. Handshoe in all of his 6 different matters. Primarily this case. 7 But I'll have to review the agreement before 8 we can answer or respond.</p> <p>9 Q. Okay.</p> <p>10 A. If Gerald advises me that I should do that, 11 then I will do that. And if the judge makes me, I 12 guess I have to cross that bridge when he orders me 13 to.</p> <p>14 MR. CRUTHIRD: He could I guess divulge 15 when you received it in terms of how 16 relevant it is to this.</p> <p>17 A. That's correct. We settled that back in 18 September or October of 2016, somewhere in there.</p> <p>19 MR. CRUTHIRD: We can review within 14 20 days and get back to you.</p> <p>21 MR. THRASH: Okay. And we'll reconvene 22 if necessary.</p> <p>23 MR. CRUTHIRD: Yes, sir. You can move 24 to recess.</p> <p>25 MR. THRASH: I'll move to recess subject</p>

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<p style="text-align: right;">37</p> <p>1 to reconvening if that becomes relevant.</p> <p>2 MR. CRUTHIRD: Yes, sir.</p> <p>3 Q. You named another party that you had settled</p> <p>4 with.</p> <p>5 A. No. National Geographic was the only one.</p> <p>6 To the Toronto Star was dismissed. They filed a 12B</p> <p>7 motion and actually I let them out by not opposing it.</p> <p>8 They gave me an affidavit that greatly helped my case</p> <p>9 against your clients.</p> <p>10 Q. That was dismissed without compensation?</p> <p>11 A. That's correct.</p> <p>12 Q. Okay. Then you were talking about a third</p> <p>13 lawsuit that involved the \$50,000 judgment.</p> <p>14 A. The \$48,000 in attorney's fees?</p> <p>15 Q. I rounded it up. I'm sorry. The \$48,000 in</p> <p>16 attorney's fees. What case did that come out of?</p> <p>17 A. The case number 12CV90. All the assignments</p> <p>18 I gave you earlier on that case.</p> <p>19 MR. CRUTHIRD: You have the case number,</p> <p>20 right?</p> <p>21 A. Yes. 12CV90.</p> <p>22 MR. CRUTHIRD: That's the one I actually</p> <p>23 forwarded you a copy of the judgment and</p> <p>24 then also it somehow was filed in this court</p> <p>25 file by the clerk here, but it's been when</p>	<p style="text-align: right;">39</p> <p>1 Q. -- in the last three years?</p> <p>2 A. No.</p> <p>3 Q. Other than the judgment we have spoken about,</p> <p>4 have you done any assignments of property to any</p> <p>5 person in the last three years?</p> <p>6 A. Yes. We redeeded two pieces of real property</p> <p>7 in Harrison County to my wife in I guess that would</p> <p>8 have been March, February or March of 2015.</p> <p>9 Q. What kind of real property was it?</p> <p>10 A. Two lots.</p> <p>11 Q. Vacant?</p> <p>12 A. Vacant. Undeveloped.</p> <p>13 Q. You said undeveloped; is that correct?</p> <p>14 A. That's correct.</p> <p>15 Q. And what was the reason for conveying those</p> <p>16 pieces of property to your wife?</p> <p>17 A. They are two-fold. We were doing some asset</p> <p>18 protection planning and we were doing some estate</p> <p>19 planning.</p> <p>20 Q. What do you mean by asset protection</p> <p>21 planning?</p> <p>22 A. Well, your clients have sued me six times</p> <p>23 over the past six years. We thought it would be best</p> <p>24 if we divided assets. And I was heavy in my column</p> <p>25 with the CPA practice and those sorts of things. So</p>
<p style="text-align: right;">38</p> <p>1 it was enrolled.</p> <p>2 A. That's right.</p> <p>3 MR. CRUTHIRD: In Stone County. But now</p> <p>4 has an independent miscellaneous cause</p> <p>5 number in this county.</p> <p>6 MR. THRASH: In Stone County.</p> <p>7 MR. CRUTHIRD: Yes, sir.</p> <p>8 Q. So 12CV90, what is the basis of that lawsuit?</p> <p>9 A. Well, first suit was filed in the United</p> <p>10 States wherein Perret sued me for defamation up in</p> <p>11 Canada. Got a defamation judgment. Tried to enroll</p> <p>12 it down here in a practice called liable tourism. We</p> <p>13 removed it to federal court and the judge did not --</p> <p>14 declared the Canadian judgment to be unenforceable in</p> <p>15 the United States and awarded me attorney fees.</p> <p>16 Q. That was Giraud?</p> <p>17 A. Yes. And it's very likely that when the next</p> <p>18 order comes out I'm going to have sanctions payable to</p> <p>19 me by the day.</p> <p>20 Q. And what was the basis of that? His was a</p> <p>21 slander action in Canada enforcing a judgment?</p> <p>22 A. That's right.</p> <p>23 Q. Have you had any repossessions or</p> <p>24 foreclosures --</p> <p>25 A. No.</p>	<p style="text-align: right;">40</p> <p>1 she got title to two pieces of real property.</p> <p>2 Actually three. The Farrar Street lot as well that we</p> <p>3 sold.</p> <p>4 Q. Where were these two pieces of property</p> <p>5 located? I know you said Harrison County, but where</p> <p>6 in Harrison County?</p> <p>7 A. One of them is in the Robinwood Subdivision</p> <p>8 on I believe Dogwood Lane. The other one is on Hardy</p> <p>9 Avenue.</p> <p>10 Q. Does your wife still own those?</p> <p>11 A. She does.</p> <p>12 Q. What is the value of them?</p> <p>13 A. We tried to sell the Robinwood property for</p> <p>14 what we paid for it back in 1999 which was oh, about</p> <p>15 \$20,000 and we couldn't sell it for that. So I'm</p> <p>16 guessing somewhere way under \$20,000. The lot on</p> <p>17 Hardy Avenue is worth somewhere between \$35,000,</p> <p>18 \$30,000, something like that. At one time after the</p> <p>19 hurricane but before the financial crash it was worth</p> <p>20 \$85,000 according to the appraisal.</p> <p>21 Q. What did you pay for it?</p> <p>22 A. Well, we bought a house and land on Hardy</p> <p>23 Avenue. We paid -- we had about 170 in it altogether.</p> <p>24 Q. Have you sold that house on Hardy Avenue?</p> <p>25 A. Hurricane Katrina took that house on Hardy</p>

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<p style="text-align: right;">41</p> <p>1 Avenue.</p> <p>2 Q. I have no idea where it is. Do you still own</p> <p>3 that lot or is this the lot we are talking about?</p> <p>4 A. That's the lot we are talking about.</p> <p>5 Q. Had a house on it, got blown away and you</p> <p>6 ended up with just the land?</p> <p>7 A. Correct. Got some insurance money. That's</p> <p>8 right.</p> <p>9 Q. How much insurance money did you get?</p> <p>10 A. After the hurricane 150 on flood, 100,000 on</p> <p>11 wind, another 40 for flood contents.</p> <p>12 Q. Do you still have that money?</p> <p>13 A. No.</p> <p>14 Q. Speaking of money, let's start with that.</p> <p>15 What personal bank accounts do you have?</p> <p>16 A. Just one with Hancock. It's a joint account</p> <p>17 with my wife.</p> <p>18 Q. Is it a savings, checking or --</p> <p>19 A. It's a checking account.</p> <p>20 Q. Are all your other checking accounts held in</p> <p>21 the name of your businesses?</p> <p>22 A. Yes.</p> <p>23 Q. How many accounts do you have? You've told</p> <p>24 me you had three for the CPA.</p> <p>25 A. Three for the CPA, one for Slabbed and my</p>	<p style="text-align: right;">43</p> <p>1 estates.</p> <p>2 Q. So if I'm understanding what you are saying,</p> <p>3 you and your wife decided in 2016; is that correct?</p> <p>4 A. 2015. Early 2015, yes.</p> <p>5 Q. For you to give her certain of your assets so</p> <p>6 that she would have the same amount of property as you</p> <p>7 do; is that correct?</p> <p>8 A. Well, yes. The first step in dealing with</p> <p>9 estate planning is husbands and wives each have their</p> <p>10 own gift allowances and things like that. The first</p> <p>11 thing you do is try to equalize the estate values.</p> <p>12 That's the easy thing you can do. That's really step</p> <p>13 one.</p> <p>14 Q. And I'm not sure you answered my question.</p> <p>15 Do you agree with me that you gave property to your</p> <p>16 wife?</p> <p>17 A. Without a doubt.</p> <p>18 Q. Without any return consideration?</p> <p>19 A. Oh, yes. Without a doubt.</p> <p>20 Q. I just wanted to get us on the same page.</p> <p>21 Did you make any gifts to any other person?</p> <p>22 A. No.</p> <p>23 Q. If you didn't call it a gift and called it a</p> <p>24 transfer, were there any transfers of property from</p> <p>25 you to any other person?</p>
<p style="text-align: right;">42</p> <p>1 personal. That would be a total of five.</p> <p>2 Q. Who is the Slabbed account with?</p> <p>3 A. Hancock Bank.</p> <p>4 Q. Do you do most of your banking with Hancock?</p> <p>5 A. I had personal banking with them for a long</p> <p>6 time. They are real convenient for up here, which is</p> <p>7 why we maintain the other ones.</p> <p>8 Q. What consideration did your wife pay for</p> <p>9 those two lots?</p> <p>10 A. What do you mean paid? She didn't pay me</p> <p>11 anything. When we did the asset protection planning,</p> <p>12 the house on Hardy Avenue, we bought it and fixed it</p> <p>13 up and had a mortgage. I think we paid like \$130,000</p> <p>14 for it and spent about another 40. The lot that's in</p> <p>15 Robinwood we paid about \$20,250 for it way back in the</p> <p>16 '90s.</p> <p>17 Q. Is it developed?</p> <p>18 A. No. It is the worst of them that needs to be</p> <p>19 cleared.</p> <p>20 Q. You said the Hardy Avenue lot. You've gone</p> <p>21 through what you have paid for it and all that.</p> <p>22 A. That's right.</p> <p>23 Q. Did you receive anything from your wife for</p> <p>24 the transfer of that Hardy Street property to her?</p> <p>25 A. No. Just husband and wife equalizing their</p>	<p style="text-align: right;">44</p> <p>1 A. No. Now I want to be clear here though. I</p> <p>2 had to recapitalize Slabbed New Media, so there were</p> <p>3 capital contributions made there in 2015 and 2016.</p> <p>4 After the bankruptcy filing those were all disclosed</p> <p>5 of course to the court. But those weren't gifts.</p> <p>6 Those were actually capital contributions.</p> <p>7 Q. The people that made capital contributions,</p> <p>8 do they have any ownership interest in Slabbed New</p> <p>9 Media?</p> <p>10 A. I did. I was the guy that put that money in</p> <p>11 and I owned it, yes.</p> <p>12 Q. So it was your money?</p> <p>13 A. Yes.</p> <p>14 Q. Have you closed any bank accounts in the last</p> <p>15 three years?</p> <p>16 A. No.</p> <p>17 Q. Do you own a safe deposit box?</p> <p>18 A. I do not. My business does.</p> <p>19 Q. What's contained in that safety deposit box?</p> <p>20 A. Absolutely nothing at this point.</p> <p>21 Q. You didn't put hundreds of thousands of</p> <p>22 dollars in there?</p> <p>23 A. No. Afraid not.</p> <p>24 Q. Does anyone hold title to any property for</p> <p>25 your benefit?</p>

## Douglas Handshoe

<p style="text-align: right;">45</p> <p>1 A. No.</p> <p>2 Q. Have you given any financial statements to</p> <p>3 any of the lending institutions you've mentioned?</p> <p>4 A. No. There were financial statements prepared</p> <p>5 for Slabbed New Media that were sent to the bankruptcy</p> <p>6 court. That's on Pacer. Those would be the only</p> <p>7 ones.</p> <p>8 Q. Am I correct in saying you are the only</p> <p>9 officer, director or member of Slabbed New Media?</p> <p>10 A. That's correct.</p> <p>11 Q. Same question for Douglas K. Handshoe, CPA,</p> <p>12 PLLC.</p> <p>13 A. Sheila Cruthird is a member there as we</p> <p>14 discussed earlier.</p> <p>15 Q. 70/30?</p> <p>16 A. That's correct.</p> <p>17 Q. Are there any former partners of either of</p> <p>18 those businesses?</p> <p>19 A. No, sir.</p> <p>20 Q. Do you have any CDs?</p> <p>21 A. No, sir.</p> <p>22 Q. You know what I mean by that CD?</p> <p>23 A. Yes.</p> <p>24 Q. Certificate of Deposit. Do you have any life</p> <p>25 insurance with a cash value?</p>	<p style="text-align: right;">47</p> <p>1 are on there?</p> <p>2 A. The 1500, that would be my draw check I would</p> <p>3 imagine. The 3250, I may have taken extra draw out of</p> <p>4 my business. Let's see. No. Actually I'll tell you</p> <p>5 exactly what those are. Those are draws on home</p> <p>6 equity line of credit. And we used that money to pay a</p> <p>7 gentleman by the name of Danny Fore who did some metal</p> <p>8 work for us on Hall Street. Paid Mr. Silva who was a</p> <p>9 carpenter to fix a roof leak 750. Paid him 750 twice.</p> <p>10 Those would have all been draws on our credit line.</p> <p>11 Q. Now, on your December 21 to 1-23 bank</p> <p>12 statement I believe it shows 1026 from Coastal Plains.</p> <p>13 Is that your wife's retirement?</p> <p>14 A. That's her employer.</p> <p>15 Q. Salary?</p> <p>16 A. That's right.</p> <p>17 Q. Then it shows \$1700.29 as retirement pay</p> <p>18 Mississippi PERS. Is that what we've been talking</p> <p>19 about?</p> <p>20 A. That's correct.</p> <p>21 Q. Now, on your October 21, '16 to 11-21 of '16</p> <p>22 you show deposits of over \$25,000.</p> <p>23 A. Yes. Those would likely be draws off the</p> <p>24 credit line. Probably checks written for about that</p> <p>25 amount too.</p>
<p style="text-align: right;">46</p> <p>1 A. No. I have term insurance only.</p> <p>2 Q. What other documents did you bring today in</p> <p>3 response to the subpoena?</p> <p>4 A. I brought bank records here for the joint</p> <p>5 account that I have with my wife.</p> <p>6 Q. May I look at them?</p> <p>7 MR. CRUTHIRD: While you are looking</p> <p>8 at them, I'm going to walk to the bathroom.</p> <p>9 (OFF THE RECORD)</p> <p>10 Q. Earlier you made the statement your wife</p> <p>11 opened her own bank account.</p> <p>12 A. That's correct.</p> <p>13 Q. Would that have occurred about the first of</p> <p>14 the year?</p> <p>15 A. No. Actually that happened back in 2015, but</p> <p>16 after the first of the year is when she got serious</p> <p>17 about segregating her money out. So yes, she receives</p> <p>18 her paychecks and her retirement check going into that</p> <p>19 account.</p> <p>20 Q. What is the amount of her retirement check;</p> <p>21 do you know?</p> <p>22 A. A little over \$1700. Her paycheck is</p> <p>23 somewhere around 1000.</p> <p>24 Q. I'm looking at your bank statement ending in</p> <p>25 February 20th. Can you identify what those deposits</p>	<p style="text-align: right;">48</p> <p>1 Q. Were you doing some improvements to the</p> <p>2 homestead?</p> <p>3 A. That's right. A lot of concrete work during</p> <p>4 that time period. A lot of concrete work. Plus a</p> <p>5 shed was falling completely apart so we had to</p> <p>6 construct a new shed. You will see some checks to the</p> <p>7 concrete company and Percy Tims.</p> <p>8 Q. I see a \$1500 check written to Ms. Handshoe.</p> <p>9 Do you know what that was for?</p> <p>10 A. No, not right off the top of my head.</p> <p>11 Q. I don't see anything down in the -- are these</p> <p>12 my copies?</p> <p>13 A. Yes, sir.</p> <p>14 Q. How many times per month is your wife paid?</p> <p>15 A. She gets paid bi-weekly.</p> <p>16 Q. So basically twice a month?</p> <p>17 A. Yes. Two months out of the year she will get</p> <p>18 three checks.</p> <p>19 Q. I'll finish going through these at a later</p> <p>20 time. I'm not going to make these exhibits. I have</p> <p>21 been informed that your mother died recently and I'm</p> <p>22 sorry to hear that. Is that correct information?</p> <p>23 A. She died in October of 2016. I take that</p> <p>24 back. 2015.</p> <p>25 Q. Did she have an estate?</p>

## Douglas Handshoe

49	<p>1 A. My share of her insurance proceeds was \$6000</p> <p>2 and that was all that I got.</p> <p>3 MR. CRUTHIRD: A life insurance?</p> <p>4 A. Life insurance policy. That's right.</p> <p>5 Q. Did you open an estate for her?</p> <p>6 A. No. We were all named co-beneficiaries on</p> <p>7 her life insurance policy and when they paid out, they</p> <p>8 paid us.</p> <p>9 Q. Now, earlier I believe you said something</p> <p>10 along the lines that Slabbed New Media had indemnified</p> <p>11 you for the \$48,000?</p> <p>12 A. It indemnified me for all of my official</p> <p>13 acts.</p> <p>14 Q. Which included incurring the \$48,000 in</p> <p>15 attorney's fees?</p> <p>16 A. Correct.</p> <p>17 Q. Do you do any accounting work outside of your</p> <p>18 PLLC?</p> <p>19 A. No. That would be outside of my professional</p> <p>20 liability policy if I did that.</p> <p>21 Q. Do you have a retirement plan?</p> <p>22 A. Yes. Through the business. A SEP plan. SEP</p> <p>23 IRA.</p> <p>24 Q. How much money do you have in that?</p> <p>25 A. About 110, \$115,000 give or take.</p>	51	<p>1 A. No.</p> <p>2 Q. It's all to the property of Slabbed Media?</p> <p>3 A. Correct.</p> <p>4 Q. It looks like somebody made me multiple</p> <p>5 copies of this. I believe earlier I asked you some</p> <p>6 questions what litigation you were involved in. I'm</p> <p>7 looking at a lawsuit in Louisiana that's styled Chris</p> <p>8 E. Yount versus Douglas K. Handshoe, Slabbed.org,</p> <p>9 Slabbed New Media, LLC and Jack E. Bobby Truitt.</p> <p>10 A. Yes, sir.</p> <p>11 Q. What do you know about that?</p> <p>12 A. Well, that suit was filed under shield by Mr.</p> <p>13 Yount.</p> <p>14 Q. Who is Mr. Yount?</p> <p>15 A. Mr. Yount is a close associate of Leary and</p> <p>16 Perret up in Canada. And that suit was actually not</p> <p>17 doing too bad for Mr. Yount right up to the point</p> <p>18 where they wouldn't shield documents over here to the</p> <p>19 federal court trying to get disciple on Gerald and</p> <p>20 Bobby. And when they broke their own shield, they</p> <p>21 seemed like they lost their ardor to prosecute that</p> <p>22 case. And that case has now been essentially dormant</p> <p>23 for two plus years. Since we're talking about the</p> <p>24 Louisiana suits, Mr. Danny Able, who is also an</p> <p>25 associate of Leary and Perret, has sued me, Mr.</p>
50	<p>1 Q. Did you liquidate it?</p> <p>2 A. No.</p> <p>3 Q. Do you still have that SEP plan?</p> <p>4 A. Yes, sir.</p> <p>5 MR. CRUTHIRD: What is the acronym</p> <p>6 again? I'm just curious.</p> <p>7 A. SEP stands for Self-Employed Plan.</p> <p>8 MR. CRUTHIRD: It's SEP?</p> <p>9 A. SEP. It's actually Self-Employed Plan</p> <p>10 Individual Retirement Account is why they call it a</p> <p>11 SEP IRA.</p> <p>12 Q. Are you still eligible to put money in the</p> <p>13 SEP plan even though are now employed by a PLLC?</p> <p>14 A. Oh, yes. It's actually designed for small</p> <p>15 businesses like that. You don't have to make a</p> <p>16 contribution to it. The employee can make their own</p> <p>17 contribution. The employer can make its own.</p> <p>18 Completely discretionary.</p> <p>19 Q. But there is no problem with eligibility due</p> <p>20 to being a PLLC?</p> <p>21 A. No.</p> <p>22 Q. At the present time do you claim any personal</p> <p>23 ownership interest in that judgment?</p> <p>24 A. The 48,000?</p> <p>25 Q. Yes.</p>	52	<p>1 Truitt, a lady by the name of Ann Vandenweghe, Scott</p> <p>2 Sternberg, Barry Glenn, Paul Vance. Those are my</p> <p>3 attorneys for defamation. He lost his ardor to pursue</p> <p>4 that lawsuit when he had to sit for a deposition. He</p> <p>5 just didn't show up.</p> <p>6 Q. I think now we've accounted for three or four</p> <p>7 of the suits, lawsuits that you were talking about.</p> <p>8 A. That's correct.</p> <p>9 Q. What is case number 15-5096-KMS?</p> <p>10 A. Oh, that would have been the Slabbed</p> <p>11 bankruptcy. Slabbed New Media bankruptcy.</p> <p>12 Q. That says bankruptcy. It has a listing of</p> <p>13 the suits and Yount is the first one and the second</p> <p>14 one was Handshoe versus Perret, Leary, Trout Point</p> <p>15 Lodge, National Geographic. We talked about that one</p> <p>16 earlier, didn't we?</p> <p>17 A. Yes, sir.</p> <p>18 Q. And then the third case mentioned here is</p> <p>19 Vaughn Perret versus Handshoe.</p> <p>20 A. That would be this one that we're here on</p> <p>21 right now, right?</p> <p>22 Q. I don't know. And then it says the fourth</p> <p>23 case mentioned here is Handshoe versus Broussard.</p> <p>24 A. Yes, sir. That's the racketeering suit.</p> <p>25 Q. That goes back a long way.</p>




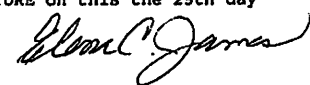
## Douglas Handshoe

<p style="text-align: right;">53</p> <p>1 MR. CRUTHIRD: It's a dormant case filed</p> <p>2 in Hancock County, State Court, Circuit</p> <p>3 Court.</p> <p>4 Q. I've received a lot of questions they want</p> <p>5 asked. Earlier you said you have a mortgage on the</p> <p>6 house you are presently occupying.</p> <p>7 A. That's right. A homestead at 110 Hall</p> <p>8 Street. That's correct.</p> <p>9 Q. What is the amount of that mortgage?</p> <p>10 A. The main mortgage is about \$58,000. The</p> <p>11 equity line is at \$29,000.</p> <p>12 Q. What's the value of that house?</p> <p>13 A. When we had it appraised for the equity line</p> <p>14 it appraised out at like \$115,000. We got dinged for</p> <p>15 things like not having covered parking, which we did</p> <p>16 add with the redo. I would imagine it is probably --</p> <p>17 I'm not an appraiser. Just knowing how much he</p> <p>18 documented for the lack of covered parking and the bad</p> <p>19 driveway, it's probably worth \$125,000 right now</p> <p>20 gross.</p> <p>21 Q. Do you claim that as your homestead?</p> <p>22 A. Yes.</p> <p>23 Q. How long have you owned that house?</p> <p>24 A. I bought that house in August of 2001.</p> <p>25 Q. And is it correct that while you were living</p>	<p style="text-align: right;">55</p> <p>1 Hattiesburg?</p> <p>2 A. When I was in college, yes.</p> <p>3 Q. 232 Pine Ridge Drive, Waveland, Mississippi.</p> <p>4 A. That was a house that I grew up in that my</p> <p>5 parents owned.</p> <p>6 Q. 105 Pine Street, Waveland, Mississippi. What</p> <p>7 was that?</p> <p>8 A. That was a rental.</p> <p>9 Q. Have you ever gone by any name other than</p> <p>10 Douglas K. Handshoe?</p> <p>11 A. No.</p> <p>12 Q. Did you have a business called Interstate</p> <p>13 Management at one time?</p> <p>14 A. No, I didn't own that.</p> <p>15 Q. Who owned it?</p> <p>16 A. The Goodson family out of St. Tammany Parish.</p> <p>17 Q. Were you an officer or director or agent of</p> <p>18 process for that?</p> <p>19 A. Probably with the agent for service of</p> <p>20 process. But the Goodsons had businesses that spanned</p> <p>21 the state line from Mississippi and Louisiana and they</p> <p>22 created a central entity to hold the profits so they</p> <p>23 didn't have to report multi-state.</p> <p>24 MR. CRUTHIRD: Are they still a client?</p> <p>25 A. Yes.</p>
<p style="text-align: right;">54</p> <p>1 in Bay St. Louis you maintained the house here as an</p> <p>2 office?</p> <p>3 A. That's correct.</p> <p>4 Q. Who is your first mortgage to?</p> <p>5 A. Hancock.</p> <p>6 Q. Who is your second mortgage to?</p> <p>7 A. Hancock.</p> <p>8 Q. What is at 322 Vine Street? Are you familiar</p> <p>9 with that address?</p> <p>10 A. I am. I think it should be 323 Vine Street.</p> <p>11 Q. It is. I couldn't read.</p> <p>12 A. And that would be my partner's residence.</p> <p>13 Q. Who is your partner? Ms. Cruthird?</p> <p>14 A. Ms. Cruthird. She has her own office over</p> <p>15 there.</p> <p>16 Q. What is 604 Hardy Avenue, Gulfport?</p> <p>17 A. That's the vacant lot that we talked about</p> <p>18 earlier.</p> <p>19 Q. And Corinth Drive?</p> <p>20 A. That's where we rented. That's correct.</p> <p>21 Q. What about 101 Ralph Drive in Gulfport?</p> <p>22 A. That was a residence that I had I sold back</p> <p>23 in like 2008.</p> <p>24 Q. 408 Bay Street. That looks like an</p> <p>25 apartment. Did you have an apartment on Bay Street in</p>	<p style="text-align: right;">56</p> <p>1 Q. Do you own any motor vehicles?</p> <p>2 A. Yes.</p> <p>3 Q. What do you own?</p> <p>4 A. Half interest in a 2016 Toyota Rav 4 worth</p> <p>5 about \$22,000. We owe about 24 on it. I have a 2008</p> <p>6 Honda Silverwing, one-half interest. It's a scooter.</p> <p>7 And I believe that's it. I may have a half interest in</p> <p>8 a trailer. I think my wife may own the trailer.</p> <p>9 Q. Who is the Rav 4 titled to?</p> <p>10 A. Jennifer Handshoe and Douglas Handshoe.</p> <p>11 Q. How many trailers do you own?</p> <p>12 A. It would just be one utility trailer.</p> <p>13 Q. What do you use it to haul?</p> <p>14 A. Just whatever. We used to have to haul a</p> <p>15 lawnmower to cut all those vacant lots that we had.</p> <p>16 That was the main thing I used it for.</p> <p>17 Q. Do you still own a 2002 Toyota Tundra?</p> <p>18 A. No. Hurricane Katrina ate that along with</p> <p>19 the Ford Explorer.</p> <p>20 MR. CRUTHIRD: Mr. Handshoe had an</p> <p>21 interesting experience in Katrina. Is that</p> <p>22 the truck, that vehicle that flooded? He</p> <p>23 had to get up on the roof of his house to</p> <p>24 escape the storm.</p> <p>25 Q. You didn't leave, huh?</p>

**Douglas Handshoe**

<p style="text-align: right;">57</p> <p>1 A. No.</p> <p>2 Q. My idiot law partner stayed and was up in the</p> <p>3 garage at the Imperial Palace.</p> <p>4 MR. CRUTHIRD: Two blocks from US 90,</p> <p>5 right? And these chicken cargo containers</p> <p>6 down there came loose and they banged his</p> <p>7 house down. That's the Hardy Avenue.</p> <p>8 Banged it down along with a lot of other</p> <p>9 houses.</p> <p>10 A. We lost the whole neighborhood pretty much.</p> <p>11 Finally started to build back a little bit there.</p> <p>12 MR. CRUTHIRD: There is not much along</p> <p>13 the coastline. Condos mostly.</p> <p>14 Q. Did you serve as an officer at some of your</p> <p>15 clients' corporations, LLCs, et cetera?</p> <p>16 A. It only would have been one client, and they</p> <p>17 all would have been related to Mr. Goodson. Worked a</p> <p>18 little criminal defense engagement with him. He ended</p> <p>19 up having to go to jail for a while. It involved a</p> <p>20 criminal forfeiture. So I had to assume a management</p> <p>21 role in certain businesses in order to liquidate those</p> <p>22 businesses and give the money to the marshal service.</p> <p>23 Q. Do you recall what businesses those were?</p> <p>24 A. Slidell Motel would have been one of them.</p> <p>25 It could very well be Slidell 76 Truck Stop.</p>	<p style="text-align: right;">59</p> <p>1 like that. And I may at some point in time get back</p> <p>2 into the stock market. But I don't have the money for</p> <p>3 that at this point in time.</p> <p>4 Q. Now, other than the scooter and the Rav 4,</p> <p>5 did you say you owned another vehicle?</p> <p>6 A. I have a scooter and the Rav 4. My wife</p> <p>7 purchased for my son another Toyota Rav 4. She</p> <p>8 financed that in her own name and made the purchase in</p> <p>9 her own name.</p> <p>10 Q. So the family has two Rav 4s. What does your</p> <p>11 wife drive?</p> <p>12 A. She has a pickup truck.</p> <p>13 Q. Is that in her name also?</p> <p>14 A. In her name, that's correct.</p> <p>15 Q. Did she purchase it originally or did you</p> <p>16 give it to her?</p> <p>17 A. No. That was something -- she had that thing</p> <p>18 retitled 2014, 2015. She drove the truck. I always</p> <p>19 drove the SUV. Although it normally doesn't work like</p> <p>20 that, that's the way we've always done it.</p> <p>21 Q. You say she retitled in 2014, 2015. Was it</p> <p>22 in anticipation of the outcome of the lawsuit?</p> <p>23 A. No. Not particularly. But she wanted some</p> <p>24 security for herself.</p> <p>25 Q. Was there a lawsuit ongoing between you and</p>
<p style="text-align: right;">58</p> <p>1 Interstate Management Company may have been one.</p> <p>2 Interstate Personnel could have been another one.</p> <p>3 There was a cluster of about three or four of them</p> <p>4 that I had to take over while Mr. Goodson was in jail.</p> <p>5 Q. Did you have any actual ownership interest in</p> <p>6 them?</p> <p>7 A. No.</p> <p>8 Q. I think we're just about through. Other than</p> <p>9 the two businesses we have discussed, do you have any</p> <p>10 ownership interest in any other businesses?</p> <p>11 A. No, sir.</p> <p>12 Q. Other than the bank accounts we have</p> <p>13 discussed, do you have any ownership in any other bank</p> <p>14 accounts or have any money deposited in any other</p> <p>15 financial institutions other than the ones we've</p> <p>16 discussed?</p> <p>17 A. I may have \$100 in that TD Ameritrade</p> <p>18 account. That would be just what you have to have to</p> <p>19 keep it open.</p> <p>20 Q. Are you currently trading in the market?</p> <p>21 A. No. I haven't in probably five, six years.</p> <p>22 Q. Why would you keep the TD Ameritrade account</p> <p>23 open?</p> <p>24 A. It would give me an option if I terminated</p> <p>25 the SEP plan. They offer self-directed IRAs, things</p>	<p style="text-align: right;">60</p> <p>1 my clients at that time?</p> <p>2 A. We've had lawsuits going pretty much</p> <p>3 continuously since 2011. Either them suing me or me</p> <p>4 suing them back.</p> <p>5 Q. I believe the judgment they obtained was in</p> <p>6 February of 2014; is that correct?</p> <p>7 A. That sounds right. It would have been after</p> <p>8 that, but before it was properly before the court down</p> <p>9 here.</p> <p>10 Q. Who did you say the SEP plan was with?</p> <p>11 A. T. Rowe Price.</p> <p>12 MR. THRASH: I think I'm through.</p> <p>13 MR. CRUTHIRD: I don't have any</p> <p>14 questions.</p> <p>15 (JUDGMENT DEBTOR EXAMINATION RECESSED AT 3:32 P.M.)</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>

## Douglas Handshoe

<p style="text-align: right;">61</p> <p style="text-align: center;">ERRATA SHEET</p> <p>I, DOUGLAS K. HANDSHOE, deponent in this deposition, hereby certify that I have examined the foregoing pages and find them to contain a full, true and accurate transcription of the testimony as given on August 14, 2017, in Wiggins, Mississippi, with the exception of the changes noted below, if any:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Page</th> <th style="text-align: left;">Line</th> <th style="text-align: left;">Correction</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table> <p>This the _____ day of _____, 2017.</p> <p style="text-align: right;">_____ DOUGLAS K. HANDSHOE</p> <p>State of _____</p> <p>County of _____</p> <p>Sworn to and subscribed before me, this the _____ day of _____, 2017.</p> <p style="text-align: right;">_____ NOTARY PUBLIC</p> <p>MY COMMISSION EXPIRES _____</p>	Page	Line	Correction																			
Page	Line	Correction																				
<p style="text-align: right;">62</p> <p>STATE OF MISSISSIPPI</p> <p>COUNTY OF PEARL RIVER</p> <p style="text-align: center;">CERTIFICATE</p> <p>I, Elena C. James, Certified Shorthand Reporter, do hereby certify there came before me the deponent, who was by me duly sworn to testify to the truth and nothing but the truth concerning the matters in this cause.</p> <p>I further certify that the foregoing transcript is a true and correct transcript of my original stenographic notes.</p> <p>I further certify that I am neither attorney or counsel for, nor related to or employed by any of the parties to the action in which this deposition is taken; and furthermore, that I am not a relative or employee of any attorney or counsel employed by the parties hereto or financially interested in the action.</p> <p>I do further certify that my certificate annexed hereto applies only to the original and the certified transcript.</p> <p>WITNESS MY SIGNATURE on this the 25th day of AUGUST, 2017.</p> <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;">  <p>ELENA C. JAMES Notary Public State of Mississippi Commission Expires Aug. 23, 2018</p> </div> <div style="text-align: center;">  <p>_____ ELENA C. JAMES, CSR #1682</p> </div> </div>																						

**Patsy Ainsworth Reporting**  
**601.582.2582**

IN THE CIRCUIT COURT OF HANCOCK COUNTY, MISSISSIPPI

TROUT POINT LODGE, LTD., VAUGHN  
PERRET, and CHARLES LEARY

FILED

PLAINTIFFS

VS.

AUG 07 2017

CAUSE NO. 15-0458

DOUGLAS K. HANDSHOE

KAREN LADNER RUHR  
CIRCUIT CLERK, HANCOCK CO.  
BY [Signature] D.C.

DEFENDANT

AMENDED NOTICE OF JUDGMENT-DEBTOR EXAMINATION

TO: Douglas K. Hanshoe  
%G. Gerald Cruthird, Esq.  
P.O. Box 1056  
Picayune, MS 39466

PLEASE TAKE NOTICE that Plaintiffs will conduct a Judgment Debtor Examination of Defendant, DOUGLAS K. HANDSHOE, on the 14<sup>th</sup> day of August, 2017 at 1:30 p.m. at the Stone County Courthouse, 323 Cavers Avenue, Wiggins, Mississippi. Please produce all items listed on Exhibit A attached hereto.

TROUT POINT LODGE, LTD., VAUGHN  
PERRET, and CHARLES LEARY, Plaintiffs,

BY [Signature]  
SINGLETARY & THRASH-JACKSON, P.A.  
Their Attorneys

GARY D. THRASH, MSB# 8205  
ADAM F. THRASH, MSB# 104357  
SINGLETARY & THRASH-JACKSON, P.A.  
P.O. BOX 587  
JACKSON, MS 39205  
(601) 353-1070



**CERTIFICATE OF SERVICE**

I, ADAM F. THRASH, do hereby certify that I have this day mailed by United States mail, postage prepaid, a true and correct copy of the above and foregoing Amended Notice of Judgment-Debtor Examination to Defendant as follows:

G. Gerald Cruthird, Esq.  
P.O. Box 1056  
Picayune, MS 39466

THIS the 3rd day of August, 2017.

BY   
ADAM F. THRASH

GARY D. THRASH, MSB# 8205  
ADAM F. THRASH, MSB# 104357  
SINGLETARY & THRASH-JACKSON, P.A.  
P.O. BOX 587  
JACKSON, MS 39205  
(601) 353-1070



**EXHIBIT A**

1. Tax Returns for Douglas K. Handshoe for 2014, 2015, and 2016.
2. Tax Returns filed on behalf of any company owned by Douglas K. Handshoe or in which he had any interest during the years 2014, 2015, and 2016. These returns are to specifically include, but shall not be limited to:
  - a. Slabbed New Media, LLC;
  - b. Douglas K. Handshoe, CPA, LLC; and
  - c. Any and all businesses owned by Mr. Handshoe or in which he owned an interest during the past three (3) years.
3. Copies of all banking records for any and all bank accounts in the name of Douglas K. Handshoe, or used by, or used in the operation of any business described hereinabove in Number 2.
4. Employment history of Douglas K. Handshoe for the last ten (10) years.
5. Records of employment by and/or operation of any business described hereinabove in Number 2.
6. Payments to creditors of Douglas K. Handshoe and/or any business described hereinabove in Number 2 for the past three (3) years.
7. Any suits and administrative proceedings, executions of garnishments, and other attachments.
8. Any repossessions, foreclosures, and/or returns involving Douglas K. Handshoe and/or any business described hereinabove in Number 2 for the last three (3) years.
9. Any assignments and receiverships involving Douglas K. Handshoe and/or any business described hereinabove in Number 2 for the last three (3) years.
10. Any gifts from Douglas K. Handshoe and/or any business described hereinabove in Number 2 to any person or entity during the last three (3) years.
11. Any other transfers to or from Douglas K. Handshoe and/or any business described hereinabove in Number 2 during the last three (3) years.
12. Any closed financial accounts of Douglas K. Handshoe and/or any business described hereinabove in Number 2 for the last three (3) years.
13. Any safe deposit boxes or cash held in the name of Douglas K. Handshoe and/or any business described hereinabove in Number 2 during the last three (3) years.

14. Any property held for another person by Douglas K. Handshoe and/or any business described hereinabove in Number 2 during the last three (3) years.
15. Any books, records, and financial statements of Douglas K. Handshoe and/or any business described hereinabove in Number 2 for the last three (3) years.
16. All inventories of Douglas K. Handshoe and/or any business described hereinabove in Number 2 during the last three (3) years.
17. Current Partners, Officers, Directors, or Shareholders for Slabbed New Media, LLC.
18. Current Partners, Officers, Directors, or Shareholders for Douglas K. Handshoe, CPA, LLC.
19. All former Partners, Officers, Directors, or Shareholders for Slabbed New Media, LLC.
20. All former Partners, Officers, Directors, or Shareholders for Douglas K. Handshoe, CPA, LLC.
21. Any cash on hand in the possession of Douglas K. Handshoe and/or any business described hereinabove in Number 2 at this time.
22. All checking, savings, or other financial accounts, certificates of deposit, or shares in banks, savings and loan, credit unions, brokerage houses, or cooperatives. These bank records shall include, but not be limited to, copies of all banking records for any and all banks accounts in the name of Douglas K. Handshoe and/or any business described hereinabove in Number 2 during the last three (3) years.
23. Any security deposits with public utilities, telephone companies, landlords, and others for Douglas K. Handshoe and/or any business described hereinabove in Number 2.
24. Interest in insurance policies for Douglas K. Handshoe and/or any business described hereinabove in Number 2.
25. Annuities for Douglas K. Handshoe and/or any business described hereinabove in Number 2.
26. Stock and interests in incorporated and unincorporated businesses held in the name of Douglas K. Handshoe and/or any business described hereinabove in Number 2.
27. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of Douglas K. Handshoe and/or any business described hereinabove in Number 2.
28. Any patents, copyrights, and other intellectual property for Douglas K. Handshoe and/or

any business described hereinabove in Number 2.

29. Any licenses, franchises, and other general intangibles held by Douglas K. Handshoe and/or any business described hereinabove in Number 2.
30. Any automobiles, trucks, trailers, and other vehicles and accessories held in the name of Douglas K. Handshoe and/or any business described hereinabove in Number 2.
31. Any boats, motors, and accessories held in the name of Douglas K. Handshoe and/or any business described hereinabove in Number 2.
32. Any aircraft and accessories owned by Douglas K. Handshoe and/or any business described hereinabove in Number 2, or held in the name of Douglas K. Handshoe and/or any business described hereinabove in Number 2.
33. Any business equipment, furnishings, and supplies owned by Douglas K. Handshoe and/or any business described hereinabove in Number 2 during the last three (3) years.
34. Any machinery, fixtures, equipment, and supplies owned by Douglas K. Handshoe and/or any business described hereinabove in Number 2 during the last three (3) years.
35. Any business inventory owned by Douglas K. Handshoe and/or any business described hereinabove in Number 2.
36. Any other personal or real property held in the name of Douglas K. Handshoe and/or any business described hereinabove in Number 2 during the past three (3) years.
37. Any income from any employment or operation of any businesses owned by Douglas K. Handshoe and/or any business described hereinabove in Number 2.
38. The nature, location, and name of any business in which Douglas K. Handshoe owns or owned an interest in during the past three (3) years.

*ABRAHAM*  
COMMISSIONER

**2023**  
**DL**  
Class  
**R**

**MISSISSIPPI**  
*the Hospitality State*  
**DRIVER LICENSE**

HANDSHOE, DOUGLAS KYLE

Lic No: **800245680** Expires: **08-10-2023**

Issue Date	Birth Date	Wt.	Sex	Ht.
<b>08-18-2015</b>	<b>08-10-1964</b>	<b>220</b>	<b>M</b>	<b>5-11</b>

Class	Restrictions	Endorsements	REN
<b>R</b>		<b>E</b>	

660842315

HANDSHOE, DOUGLAS KYLE  
110 HALL STREET  
WIGGINS, MS 39577

*[Signature]*

*[Small Photo]*



MDPS web address: <http://www.dps.state.ms.us>

Class: R - Regular Operators License

Endorsements: E - Motorcycle

Restrictions: None

Medical: No Medical Restriction





### **Assignment of Rights and Claims**

I, Douglas Handshoe, in exchange for good and valuable consideration, do hereby assign, convey and transfer to Slabbed New Media, LLC the following:

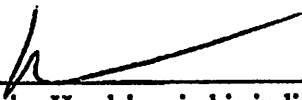
- The judgment of the United States District Court dated December 11, 2013 in the civil actions styled *Trout Point Lodge, Limited et al v Handshoe*, cause Number 1:12CV90LG-JMR in the amount of Forty-Eight Thousand Dollars (\$48,000), which was awarded to me to pay statutory attorney's fees.

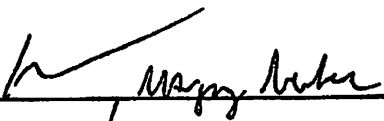
The purpose of this assignment is to match Slabbed New Media, LLC's indemnity for the managing members official acts with the related potential recovery on judgment. The assignor hereby promises to assist Slabbed New Media, LLC in all tasks necessary to effectuate collection of the above described judgment.

Slabbed New Media, LLC and its managing member shall have full rights to institute any and all actions for the collection of attorney's fees, costs or other damages in the United States or Canada as if instituted by me.

Dated this the 6<sup>th</sup> of January, 2015.

**Agreed and accepted:**

  
\_\_\_\_\_  
Douglas Handshoe in his individual capacity

  
\_\_\_\_\_  
Douglas Handshoe, Managing Member  
Slabbed New Media, LLC



**ASSIGNMENT OF RIGHTS AND CLAIMS**

**STATE OF LOUISIANA**

**PARISH OF ST. TAMMANY**

I, Douglas K. Handshoe, do hereby assign, convey and transfer to Jack B. Truitt and The Truitt Law Firm, LLC any and all rights, claims, or title in any claim, action or lawsuit I may have against Charles Leary, Vaughn Perret, and/or Trout Point Lodge, Limited for the collection of attorney's fees, costs, or any other element of damages or interest which was awarded to me in connection with the litigation which was formerly pending in the United States District Court for the Southern District of Mississippi and the United States Fifth Circuit Court of Appeal between myself and the aforesaid parties.

Jack B. Truitt and The Truitt Law Firm, LLC shall have the full right to institute any and all actions for collection of attorney's fees, costs, or other damages in the United States or Canada as if instituted by me. This assignment of rights and claims has been made by me in exchange for good and valuable consideration.


SWORN TO AND SUBSCRIBED

THIS 5<sup>TH</sup> DAY OF MARCH, 2014



**NOTARY PUBLIC**

State of Mississippi, County of Hancock  
Personally appeared before me, the undersigned  
authority in and for the said county and state,  
on this 5<sup>th</sup> day of March 2014, within  
my jurisdiction, the within named DOUGLAS K. HANDSHOE  
who acknowledged that He executed the  
above and foregoing instrument.

Timothy A. Keller  
Chancery Clerk  
By: 



My Commission Expires Dec. 31, 2015



**Bobby Truitt**

---

**From:** Doug Handshoe <earning04@gmail.com>  
**Sent:** Thursday, October 09, 2014 8:23 AM  
**To:** Bobby Truitt  
**Subject:** Attorney Fee Assignment

Per our discussions regarding the assignment of attorney fees to effect the collection of the outstanding Trout Point Judgment, please be advised that I agree to rescind the prior assignment in order that you can pursue collection efforts on my behalf here in Mississippi.

Please advise if you need anything further.

Doug  
Doug Handshoe  
Slabbed New Media LLC  
Post Office Box 788  
Wiggins, MS 39577-0788  
Phone: (228) 284-0004  
Fax: (601) 928-5129  
[www.slabbed.org](http://www.slabbed.org)

